

In the claims:

Please amend the claims as shown below:

1. (Currently amended) A method ~~of~~ for controlling the
5 reduction of emissions of a pollutant by establishing a
futures market for pollutant emission fees ~~reducing pollution~~
~~of a pollutant~~, comprising:
the polluter emitting a first quantity (x1) of the pollutant;
determining a marginal cost (m1) for reducing one emission
10 ~~pollution~~ unit of the pollutant;
determining a futures cost (n1) for one ~~pollution~~ emission
unit of the pollutant;
setting an emission ~~a pollution~~ fee (s1) to be the same as a
closing price of the futures cost (n1) at an expiration of a
15 futures contract term ~~of the pollutant~~;
in a comparison unit, comparing the marginal cost (m1) with
the futures cost (n1);
when the marginal cost (m1) is less than or the same as the
futures cost (n1), invest in ~~pollution~~ emission reducing
20 equipment to reduce emission ~~pollution~~ from ~~a~~ the first
quantity (x1) to a second quantity (x2), ~~the~~ a difference
between the first quantity (x1) and the second quantity (x2)
being a delta quantity (d);
the polluter selling the delta quantity (d) of futures at the
25 futures cost (n1);
changing futures cost from (n1) to (n2);

at ~~a termination~~ the expiration of the futures contract term,
the polluter buying back the delta quantity (d) of futures at
futures cost (n2); and

5 the polluter reducing the emission of the pollutant from the
first quantity (x1) to the second quantity (x2) and profiting
from buying back the futures when the future cost (n2) is
lower than the future cost (n1).

10 ~~determining a total cost (T1) by adding the pollution fee (s1)~~
~~and the delta quantity (d) multiplied by a difference between~~
~~futures cost (n2) and futures cost (n1).~~

15 2. (Currently amended) The method according to claim 1
wherein the method further comprises paying an emission ~~a~~
~~pollution~~ fee (s1) at a beginning of time period (t1).

3. (Currently amended) The method according to claim 2
wherein the method further comprises paying ~~a pollution~~ an
emission fee (s2) at a beginning of time period (t2).

20 4. (Original) The method according to claim 1 wherein the
method further comprises buying futures equivalent to the
first pollution quantity (x1) at the futures cost (n1) when
the marginal cost (m1) is greater than the futures cost (n1).

25 5. (Original) The method according to claim 4 wherein the
method further comprises calculating a fee (s3) as the futures

cost (n2) multiplied by the first quantity (x1) and paying the fee (s3) at the end of time period (t2).

5 6. (Original) The method according to claim 5 wherein the method further comprises selling the first quantity (x1) of futures at the futures cost (n2).

10 7. (Original) The method according to claim 6 wherein the method further comprises determining a total cost (T2) by adding the fee (s1) and the fee (s3) and the quantity (x1) multiplied by the difference between the futures cost (n2) and the futures cost (n1).